

CalVet DVBE Advisory Council

Minutes from 4th Quarter Meeting		
<u>Date:</u> October 16, 2014	<u>Time:</u> 10:00 a.m. – 3:00 pm	<u>Meeting Location:</u> Medal of Honor Hall CalVet HQ
	DVBE Advisory Council Meeting	
Attendees	<u>Council Members Attending:</u> Rene Cota, Bill Driscoll, Chuck Forrest, Richard Judd, Marty Keller (Rich Dryden Alternate), Kevin O’Connor, Sandy Schneeberger, William Schroyer, Roger Reed, Bob Mulz, Dave Dickey, Ken Shoemake, Valerie Lewis. <u>Council Members Absent:</u> Don Gonneville, *Robert Vermillion, Cher Brandt, *Jack Jernigan. (* contacted CalVet by phone prior to meeting) <u>CalVet:</u> Keith Boylan, Angela Yamamoto, Robert Beamer, Stewart MacKenzie, John Anderson, Gloria Anderson. <u>DGS:</u> Angel Carrera, Jim Butler, Brittney Heth-Tran. <u>Guests:</u> Carolyn Hall, Alex Galicia, Paul Polowski, Cammy Ticknor, Stephen Ticknor, Mike Sabellico, Lori Okamoto.	
Welcome, Introductions and Approval of July 17, 2014, meeting minutes.		
The Council Members reviewed the minutes for the July 17, 2014 meeting. Gloria Anderson suggested a correction in the CalVet Overview section pertaining to purchasing dollar boundaries. Gloria reported the CalVet DVBE First Policy applies to all contracts and purchases under \$281,000. The language was corrected and the minutes approved by the Council.		
Agenda Items		
<u>CalVet Overview – Keith Boylan, Deputy Secretary, Veterans Services Division (VSD)</u> <ul style="list-style-type: none">Deputy Secretary Boylan reported the Veterans Forum held October 1, 2014, at DGS was a success. Next year CalVet is considering sponsoring two events, with one taking place in southern California.The applications for the vacant Council seats have been reviewed by the Membership Committee, and forwarded to Mr. Boylan for review. The final selections will be announced in mid-November 2014. There are 10 DVBE seats available and 6 non-DVBE seats available. (Note: After the meeting, it was discovered that there are 11 DVBE seats and 7 non-DVBE seats)		

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L.A. Metro DVBE Program – Rene Cota

Rene Cota reported L.A. Metro is implementing a DVBE Program with a 3% spending goal. The program is scheduled for a public roll-out November 18, 2014. His research indicated DGS certification is the gold standard around the country. Very few major cities and/or municipalities have a DVBE program with set spending goals. L.A. Metro initially considered a “Good Faith Effort” as part of the program, but ultimately decided against the option. The DGS certification unit was instrumental in providing guidance to L.A. Metro, and will offer assistance in training, procurement procedures, and DVBE searches. CalVet will officially endorse the program and will work with L.A. Metro in promoting business opportunities for disabled veteran business owners. Council Co-Chair DVBE, Sandy Schneeberger suggested this would be a good time to get other municipalities, like Bay Area Rapid Transit (BART), to adopt DVBE programs.

Advocates Update – Bob Beamer, DVBE Outreach Coordinator

Bob Beamer reported the mentoring program for training new DVBE Advocates is going well. There are currently nine experienced mentors available for training new advocates. The Advocate Steering committee is actively recruiting experienced mentors in order to expand the program. An Advocates Boot Camp is tentatively scheduled for May 2015. Location, date and time TBD.

DVBE Legislative Update – Marty Keller

Marty Keller reported during the current fiscal year, no bills for DVBEs were passed in either the assembly or the senate. However, AB 1509 was passed by the assembly and signed by the governor authorizing a Transition Assistance Program (TAP) for discharged California veterans. The bill is designed for California veterans to receive transition assistance back to civilian life and is available from the day of discharge, or until needed, with no time limit. The program is in the formative stages, as no funding has yet been set aside. CalVet will send veteran’s information about the program as it becomes available.

Action Item:

- The Advisory Council Legislative Committee will research AB 1509 and report to the Council at the January 2015 meeting regarding ideas and assistance the Council may provide.
- Deputy Secretary Boylan suggested that anyone interested in joining an ad hoc committee to suggest ideas for the implementation of a California Transition Assistance Program contact Bob Beamer.

Mr. Keller explained the State Insurance Commission is in the early stages of planning a SB/DVBE program, providing an opportunity for the DVBE community to weigh in with ideas on successful DVBE programs.

For FY 2015-2016, proposed legislation that may be introduced includes:

- Increasing the State’s DVBE spending goal from 3% to 5%
- New language added to the GI Bill to permit benefits earned by veterans to be used for business startups

Deputy Secretary Boylan pointed out the GI Bill has three parts: a) educational b) vocational c) entrepreneur. Currently GI Bill benefits are primarily used for education or vocation and not entrepreneurship.

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Military and Veterans Code Update – JP Tremblay, Deputy Secretary of Legislation – CalVet

Mr. Tremblay reported his team is currently rewriting the Military and Veterans Code, since the last rewrite was in the 1950's. This is a multi-year process involving three major phases:

- Phase I - writing a bill to send to the governor authorizing a reorganization of divisions
- Phase II – reducing the number of divisions from eight to five and grouping the various veterans services in a more relevant manner
- Phase III – reviewing the changes and make corrections and adjustments as needed

Key changes to the DVBE program may include:

- Clearly define the rights of survivorship for veteran's families. The current rules permit the family of a veteran to retain certification long enough to finish any existing contracts. The family cannot bid on any future contracts. New language may be added to mirror the language in the federal statute granting a multi-year grace period during which the certification will remain active.
- Clarify community partnership percentages with regard to business ownership. The DVBE program requires the veteran to own 51% of the business. California is an equal partnership state granting 50% ownership to each partner.

Mr. Tremblay requested the DVBE community present ideas for the rewrite of the M&VC, and ideas on how to implement any proposed changes to the M&VC.

DGS Contract Reporting – Brittney Heth-Tran, DGS

Brittney Heth-Tran reported statewide spending on DVBEs in FY 2013-2014 was 3.03%, the fourth year in a row state DVBE spending has exceeded 3%. Because of the recent state audit, new contract reporting requirements are being put in place for Prime contractors. Beginning with FY 2014-2015, all prime contractors must report: a) the amount of awarded dollars to DVBE subcontractors, and b) the actual expenditure to any DVBE subcontractor. The contracting agency is responsible for monitoring all prime contractors reporting on DVBEs. DGS will continue to offer annual training for Advocates on reporting and M&VC requirements.

DGS Update – Jim Butler, Deputy Director, DGS

FI\$CAL is coming to all agencies in a multi-year phase-in for the purpose of: a) all accounting procedures, b) budgeting projections and proposals, and c) procurement. In 2015 the Governor's budget will be produced by FI\$CAL. DGS is currently looking for "testers" for the system to help with the rollout phase. Specifically, DGS is looking for vendors, both SB and DVBE, with a long history of state contracting success. Interested SB/DVBE should contact Angel Carrera at DGS.

Lunch 12:00 – 1:00 p.m.

Advisory Council Appointments – Keith Boylan, Deputy Secretary, VSD

(See CalVet Overview notes above)

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Committee Reports – Committee Chair

Procurement Committee – Bob Mulz reported:

- The Procurement Committee liaison is continuing to meet with DGS regarding the implementation of the FI\$CAL database to ensure the system is responsive to DVBE searches. State reporting on DVBEs is currently “awarded” dollars. FI\$CAL will attempt to capture both “awarded” dollars and “spent” dollars on DVBEs.

Action Item:

The Committee continues to research existing DVBE reciprocity partners and will explore how various DVBE organizations can encourage local governments to adopt the DGS SB/DVBE certification.

Legislation Committee – William Schroyer reported:

- The focus for 2015 would be on receiving and translating changes and recommendations to the Military & Veterans Code.

Action Item:

The Committee is looking at language in the M&VC regarding a veteran’s family contract eligibility upon death or permanent disability of the eligible veteran.

CPUC Committee – Rene Cota reported:

- The CPUC Committee researched the three big utilities TMobile, Sprint, and Comcast, and discovered their collective DVBE spending is less than one-half percent.

Action Item:

The Committee is asking CalVet’s help in setting up a meeting with CPUC Commissioner Sandoval to discuss putting the responsibility of DVBE spending on the Prime Contractors.

Outreach and Education Committee – Bob Beamer reported:

- Charter Media Company has submitted a media plan for promoting the DVBE Program, and will present it to Veterans Service Division management within the next few weeks. This plan has been in the works for some time, and has finally come to fruition.
- Richard Judd volunteered to be the Vice-Chair of the Outreach and Education Committee.

Action Item:

The media plan will be reviewed by VSD management.

Operating Guidelines Committee – Bob Mulz reported:

- The committee will look at the current operating guidelines to review and ensure the language is up to date regarding Council procedures.
- Marty Keller inquired about reviewing and updating the Operating Guidelines prior to next meeting. Mr. Mulz reported the committee reviewed the guidelines from January 2014 – April 2014 and recommended adding new language regarding DVBE certification status. The Council declined to add any new language at the April 17, 2014, meeting.

Action Item:

Schedule a conference call prior to next Council meeting with the membership committee to review current membership application and make recommendations regarding the language to improve the applications received.

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Committee Reports – Committee Chair

Membership Committee – Dave Dickey reported:

- The committee has reviewed all 45 applications for the vacant Council positions, and sent them along with their rankings and recommendations to Deputy Secretary Boylan for final review.
- Bill Driscoll volunteered to be Vice Chair of the Membership Committee.

Action Items:

1. CalVet staff will give Deputy Secretary Boylan the information he needs to finalize selections for the vacant council seats.
2. Because numerous applications were not filled out correctly: At the next meeting the Committee will provide recommendations regarding adding guidelines to improve the quality of applications receive. This is a vote item for the next meeting.

Public comments

- Alex Galicia inquired about how to get information on contractors looking for DVBEs.
- Tami Ticknor inquired about an update on SB297. Tami commented that since the number of certified DVBEs is increasing, the state should increase the spending goals for DVBEs.
- Mike Sabellico reminded the Council with all the confusion surrounding the reporting of awarded-vs-expended dollars on DVBEs there is a potential for fraud. The DVBE community should watch for and report any fraudulent contracting. Mr. Sabellico also requested information regarding DVBE Advisory Council application deadlines. He was told that Deputy Secretary Boylan would make the final Council membership selections by mid-November.

Video teleconferencing participants

Chula Vista – Kevin O'Connor; West LA – Bill Driscoll

Call-in participants

Roger Reed

Closing Remarks & Next Meeting Dates – Sandy Schneeberger

Next Meeting: Wednesday, January 21, 2014 – CalVet Headquarters, Sacramento

Video Teleconferencing available at: West Los Angeles and Chula Vista Veterans Home

Adjournment

For questions, please contact:

John Anderson DVBE Outreach and Education Coordinator

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Next Meeting January 21, 2014 Medal of Honor Hall Veterans Affairs HQ

Action Items to be addressed at the next Council meeting.

- Legislation in the M&VC rewrite. The Legislation committee will review the language and update the Council on their progress.
- CalVet meeting with Commissioner Sandoval. CalVet management will try and set up a meeting with Commissioner Sandoval after the January 2015 Council meeting
- CalVet will send an email to all applicants for council membership to update them on the process and notify new members by mid-November.

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| ➤ Marty Keller will present information regarding potentially adding a committee for the Insurance Commissioner. |
| ➤ Committees were requested to move any completed action items or objectives to an “accomplishments” section of their updated documents and add new objectives and actions on and ongoing basis. |